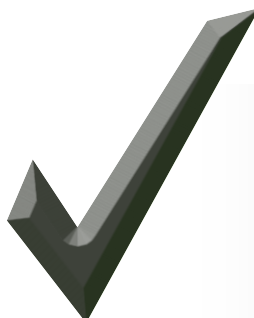


Notice of the
2017
Chugach Electric Association, Inc.
Election
and
Annual Membership Meeting

your cooperative, your voice, your choice

VOTE 

May 18, 2017
Dena'ina Civic & Convention Center
Registration opens at 6:00 p.m.
Meeting begins at 6:30 p.m.

This pamphlet contains:
voting information,
candidate information,
and a director attendance and voting record.

CHUGACH
POWERING ALASKA'S FUTURE

Annual Membership Meeting Agenda - May 18, 2017

5:30 - 6:30 p.m.

Music by Hobo Jim

Education and information booths

6:00 p.m. Registration opens

6:30 p.m.

Call to order, Pledge of Allegiance, welcome, announcements, and introductions

Janet Reiser, Board Chair

Report of quorum

Lawrence Camp, Master Election Judge

Proof of publication of the annual meeting and approval of the 2016 annual meeting minutes

Janet Reiser, Board Chair

Nominating Committee report

Rachel Morse, Chair

Bylaws Committee report

Michael Powell, Chair

Candidate statements (2 minutes each)

Harry Crawford

Stuart Parks

Ron Stafford

Member Engagement Platform presentation

Recess

Last chance to register and vote

Close of registration and voting

Meeting resumes

Treasurer report

Sisi Cooper, Treasurer

Board Chair report

Janet Reiser, Board Chair

Chief Executive Officer report

Lee Thibert, Chief Executive Officer

Unfinished business

New business

Questions/comments

Report of voting results

Lawrence Camp, Master Election Judge

Door prizes

Adjournment

2016 Annual Report

Chugach is using the Internet as the primary means to distribute the annual report (www.chugachelectric.com). Printed copies will be available May 18 at the annual meeting, in the Member Services lobby, by online request or by calling (907) 762-4177.

2017 Voting Information

Introduction

Chugach is more than a utility, it is a cooperative. As a cooperative, Chugach is guided by a seven-member board of directors elected by and from the membership. Directors are elected to staggered 4-year terms in conjunction with the annual meeting each spring.

Three candidates are running for the two available seats on the board in the 2017 election. This pamphlet contains voting instructions, information on each candidate, and a director attendance and voting record.

You must be a member of Chugach by April 5, 2017 (date of record as set by the board), to be eligible to vote in the 2017 election.

Chugach has moved to a paperless election. Please update your email to receive important election materials and voting instructions. Paper ballots and election materials will be available upon request.

Ways to vote

Electronic voting:

- An email will be sent to you with your voting instructions. ***Electronic voting will close at 4:00 p.m., Thursday, May 18.***

Paper ballot voting:

- **By US Mail** in the postage-paid return envelope
- **In the secure drop box** at Chugach, 5601 Electron Drive or BDO USA, LLC at 3601 C Street, Suite 600

A ballot envelope must contain a member number and the appropriate signature for that membership. ***All ballot envelopes must be received by noon, Monday, May 15.***

In-person voting:

- **At the annual meeting**

Members registering at the annual meeting will be able to vote in-person if they have not already cast a valid ballot.

Need assistance?

Need assistance with the voting process, contact the election contractor.

Election contractor contact information:

BDO USA, LLC.
3601 C. Street, Suite 600
Anchorage, Alaska
Mon. - Fri. 8 a.m. to 5 p.m.
(907) 646-7394
(888)729-4679

Which ballot counts? If more than one vote is cast by a member, the one that is received first will count.

Voting is a membership right. Chugach is organized as a not-for-profit, member-owned cooperative. One of the rights of membership is the ability to vote for the board of directors that provides policy direction for your utility. Please report any evidence of improper voting by calling the election contractor.

Reminders

- ◆ Please make sure we have your email on file.
- ◆ Only members may vote. Proxy and power of attorney voting is not allowed.
- ◆ Photo I.D. is required to register and vote at the Annual Meeting.
- ◆ If voting by mail or secure drop box, remember to sign the envelope.

2017 Voting Information

your cooperative, your voice, your choice

VOTE ✓

You just might win...

Voting Incentive Prizes

All members voting in the election are eligible and need not be present to win.

\$500 Travel certificate
(2 winners)



\$100 Chugach Gift of Light certificates
(3 winners)

Electronic Voting Prize

All members voting electronically are eligible and need not be present to win.

Nest Learning Thermostat
(1 winner)

Your thermostat controls half your energy bill - more than appliances, more than electronics. So shouldn't it help you save energy? The Nest Learning Thermostat does. It learns what temperature you like and builds a schedule to match. (1 winner)



Vote early to win

Members who cast an electronic ballot by noon each Friday are eligible. Drawings to be held each Friday of the election season (April 21, 28, May 5 and 12). Cast your vote the first week and if you don't win, your name is carried over to the next week's drawing.

Stick Up Cam

(4 winners)

The original motion-activated security camera that lets you see, hear and speak to anyone on your property.



2017 Candidate Statements

The following refers to the candidate statements which start on page 5.

Candidate Statements

The candidates are solely responsible for the content of their statements. Publication of the candidates' statements does not imply endorsement by Chugach Electric Association, Inc. of any candidate or specific group. For candidates referencing endorsements by a specific group, Chugach policy requires candidates to maintain on file in the Corporate Communications office, the name of the chairman or president, with title, and the address and telephone number at which the group may be contacted.

Article III, Section 9 of the Chugach bylaws calls for candidates statements to specify whether the candidate is:

(i) A member, officer, director or employee of any union local currently acting as a bargaining agent for Association employees.

(ii) A person who has within the last two years had a financial interest in a bid, proposal, project or contract with Chugach.

(iii) A spouse, child, brother, sister, parent, stepparent, stepchild or stepsibling of: a) any person included in subparagraph (i) or (ii) above or b) an employee of the Association.

(iv) A person running as an authorized representative of a non-natural entity in accordance with Article IV, Section 3(b).

Candidates' responses to these requests are noted in the area marked "Declarations."

2017 Candidates

Note: Candidate statements must comply with certain standards. See page 4 for more information.

Harry Crawford

Service area: Chugach Foothills
Member for: 35 years
Occupation: Retired iron worker,
State Legislator, and
landlord
Employer: Self-employed
Education: C.E. Byrd High School,
Louisiana State
University - Shreveport
Nominated by: Nominating Committee
Incumbent: Yes
Declarations: None



Candidate Statement

Once again, I come before you, asking for your support to represent you, the owner members of Chugach Electric in the upcoming election. Not enough is made about the fact that you own your electric company and with that, comes the responsibility of choosing your representation to the Board. We, as the Board, are the liaison between the members and the staff at Chugach and are tasked with setting policies that will benefit you both now and in the future.

Over the last six years, I have helped Chugach meet new challenges and to prepare for the future. Although, we cannot know all that we will face in the future, we certainly know that Cook Inlet gas is a finite resource and will continue to rise in the price over time. We also know that projects, such as Bradley Lake Hydro, have greatly benefitted us and continue to provide stable, low priced electricity to our members. I will always strive to replicate that successful project in the future and would be honored to serve you on the Board and would appreciate your vote.

Stuart Parks

Service area: Anchorage Hillside &
Hope
Member for: 16 years
Occupation: Vice president, program
manager and engineer
Employer: NANA WorleyParsons,
LLC
Education: M.S. Civil Engineering,
Arizona State University;
B.S. Electrical Engineer-
ing, New Mexico State University
Nominated by: Nominating Committee
Incumbent: Yes
Declarations: None



Candidate Statement

In January 2017, I was selected by the Chugach Board of Directors to fill a board vacancy. My wife and I have lived in Alaska for 20+ years and are raising our two boys here. We believe in the importance of supporting our community. My involvement with the Chugach board on the renewable energy committee (2007-2009) and now as a board member helps fulfill this commitment.

For the last 12 years, I have worked as a Senior Executive in the engineering and project management fields. Leveraging my 28 years of experience in leadership, business operations and electrical engineering, I am committed to:

- Listening to and serving in the best interest of our members;
- Focusing on generation, transmission and distribution alternatives to help Chugach provide reliable, low cost electricity to our customers;
- Supporting a mixed power generation portfolio including renewables; and
- Working with all utilities in Alaska to create value for our members.

My expertise in executive leadership and problem-solving, and more specifically, power generation and distribution make me uniquely qualified to help position Chugach Electric Association for the future. I am excited to continue representing Chugach members on the Board of Directors. I would appreciate your vote.

Thank You

2017 Candidates

Note: Candidate statements must comply with certain standards. See page 4 for more information.

Ron Stafford

Service area: Lake Otis
Member for: 4 years
Occupation: Consultant
Employer: Stafford Consultants,
LLC
Education: Ph.D. Education
Ph.D. Business Admin-
istration, Rocklands
University
Nominated by: Petition
Incumbent: No
Declarations: None



Candidate Statement

My name is Ron Stafford and I'm running for a position on the board of directors of Chugach Electric Association, and I need your vote.

My wife and I moved to Alaska in 2013 because of our granddaughter. We hope to help prepare her for the future, just like I hope to help Chugach prepare for the future.

I have been on the board of numerous companies and associations. My outlook for Chugach is to ensure reliable, economical, electric availability to all of our customers, while upholding the highest possible eco-friendly policies.

Please vote for me so I can represent you, as customers of Chugach Electric, to the board.

Thank you.

2016 Board of Directors' Voting and Attendance Record

| Meeting Date | Meetings | Directors | | | | | | | |
|--------------|---|--|---|----------------------------|--------------------------------------|---|---|----------------------------|----------------------------|
| | <u>Attendance Codes:</u> a = absent p = present e = excused t = attended via telephone - = attendance not required | <u>Voting Codes:</u> y = yes n = no b = abstained m = not present at time of vote u = unanimous/all yes votes | C H A S T A I N | C O O P E R | C R A W F O R D | D O U G H E R T Y | H E N D E R S O N | R E E V E S | R E I S E R |
| 1/14/16 | Special Board Meeting II. Approval of the Agenda IX. Executive Session – to go into Executive Session XI. Adjournment | | p u u u | p | p | p | p | t | p |
| 1/27/16 | Regular Board Meeting II. Approval of the Agenda IV. Consent Agenda IX. Executive Session – to go into Executive Session X.A. Approval of Purchase and Sale Agreement – as amended XII. Adjournment | | p u u u u u | p | p | p | p | p | p |
| 2/22/16 | Audit and Finance Committee Meeting | | p | p | p | p | a | t | p |
| 2/24/16 | Regular Board Meeting II. Approval of the Agenda – as amended IV. Consent Agenda VIII.A. Approval of 2016 Master Election Judge VIII.B. Approval of 2016 Date of Record VIII.C. 2016 Election Procedures VIII.D. Article IV, Directors: Section 2, Election and Tenure of Office, and Section 8, Vacancies – “Clarifying the duration of the term for a director appointed to a board vacancy” – Option 1 VIII.E. Article IV, Directors; Section 9 Compensation; “Provision of health insurance to comply with federal law” -Option 1 - failed -Option 2 – as amended IX. Executive Session – to go into Executive Session X.G. Pension Restoration Plan – as amended X.H. Approval of CEO Contract XII. Adjournment | | p u u u u u u u u u u u u u u | p | p | p | p | t | p |
| 3/1/16 | Audit and Finance Committee Meeting | | p | p | p | - | p | t | p |
| 3/2/16 | Special Board Meeting (Telephonic) Motion to approve Director Dougherty's request for an excuse absence for March 2, 2016, Special Board of Directors' meeting II. Approval of the Agenda VIII. Executive Session – to go into Executive Session IX.A. Independent Auditor Services – Authorization XI. Adjournment | | t u u u y u | t | t | - | p | t | t |
| 3/16/16 | Audit and Finance Committee Meeting | | t | p | p | - | p | t | p |
| 3/16/16 | Special Board Meeting II. Approval of the Agenda – as amended VIII.A. Accept the 2015 Independent Audited Financial Statements VIII.B. December 31, 2015 SEC Form 10K Filing VIII.D. Retention and Pre-Approval for FY2016 Audit Services VIII.E. Approve Retention and Fees for the 401(k) Plan Audit XI. Adjournment | | t u u u u u u | p | p | - | p | t | p |
| 3/23/16 | Regular Board Meeting II. Approval of the Agenda IV. Consent Agenda VIII.A. 2016 NWPPA Proposed Resolutions – no action taken IX. Executive Session – to go into Executive Session X.B. Renewal of Commercial Paper Backstop Facility X.C. CEO Evaluation and Performance Matrix – no action taken XII. Adjournment | | p u u u u u | p | p | p | p | t m | p |
| 4/19/16 | Special Board Meeting (Candidate Forum) II. Approval of the Agenda XI. Adjournment | | p u u | p | p | p | - | p | p |

2016 Board of Directors' Voting and Attendance Record

| Meeting Date | Meetings | Directors | | | | | | |
|--------------|---|--|----------------------------|--------------------------------------|---|---|----------------------------|----------------------------|
| | | C H A S T A I N | C O O P E R | C R A W F O R D | D O U G H E R T Y | H E N D E R S O N | R E E V E S | R E I S E R |
| | <u>Attendance Codes:</u> a = absent p = present e = excused t = attended via telephone - = attendance not required | <u>Voting Codes:</u> y = yes n = no b = abstained m = not present at time of vote u = unanimous/all yes votes | | | | | | |
| 4/19/16 | Regular Board Meeting II. Approval of the Agenda IV. Consent Agenda VIII. Executive Session – to go into Executive Session XI. Adjournment | p u u u u | p | p | p | t | p | p |
| 5/11/16 | Audit and Finance Committee Meeting | p | p | p | p | p | p | p |
| 5/11/16 | Special Board Meeting II. Approval of the Agenda – as amended III. Executive Session – to go into Executive Session IV. Consent Agenda VIII.A. Beluga River Unit (BRU) Financing VIII.B. Rate Case Update and Reentry into Simplified Rate Filing Process – no action taken IX. Executive Session – to go into Executive Session XII. Adjournment | p u u u u u u | p | p | p | p | p | |
| 5/12/16 | Governance Committee Meeting (meeting minutes have not been approved) | - | p | - | p | p | p | p |
| 5/19/16 | Annual Membership Meeting (meeting minutes have not been approved) | p | p | p | p | p | p | p |
| 5/19/16 | Special Board Meeting III. Approval of the Agenda IV.B. Election of Officers - Janet Reiser – Chair (No other nominations were made) - Susan Reeves – Vice Chairman (No other nominations were made) - Bruce Dougherty – Secretary (No other nominations were made) Sisi Cooper – Secretary (No other nominations were made) V. Adjournment | p u u u u u | p | p | p | p | p | |
| 5/25/16 | Regular Board Meeting II. Approval of the Agenda IV. Consent Agenda VII.A. Commercial Paper Backstop Facility Resolution VIII.A. Adopt Calendar of Regular Meetings of the Board of Directors VIII.B. Approve Revised Board Policies IX. Executive Session – to go into Executive Session – as amended X.D. MS-ESS Project Authorization X.E. MS-ESS Contract Authorization XII. Adjournment | p u u u u u u u u | p m | p | t m m | p | p | |
| 6/16/16 | Audit and Finance Committee Meeting | p | p | p | - | e | p | p |
| 6/30/16 | Regular Board Meeting Motion for an excused absence for Director Henderson from the June 16, 2016, Audit and Finance Committee Meeting II. Approval of the Agenda IV. Consent Agenda VIII. Executive Session – to go into Executive Session – as amended IX.A. Financial Matters IX.B. Re-entry into Simplified Rate Filing (SRF) IX.C. Simplified Rate Filing (SRF): March 2016 Test Year IX.D. CEO Evaluation and Performance Matrix – as amended XI. Adjournment | p u u u u u u u u | p | p | t | p | p | |
| 7/20/16 | Regular Board Meeting II. Approval of the Agenda IV. Consent Agenda – as amended VIII.A. Appointment of 2016 NRECA Voting Delegate and Alternate IX. Executive Session – to go into Executive Session XI. Adjournment | p u u u u | t | p | p | p | t | |

2016 Board of Directors' Voting and Attendance Record

| Meeting Date | Meetings | Directors | | | | | | |
|--------------|--|--|----------------------------|--------------------------------------|---|---|----------------------------|----------------------------|
| | | C H A S T A I N | C O O P E R | C R A W F O R D | D O U G H E R T Y | H E N D E R S O N | R E E V E S | R E I S E R |
| | Attendance Codes: a = absent p = present e = excused t = attended via telephone - = attendance not required | Voting Codes: y = yes n = no b = abstained m = not present at time of vote u = unanimous/all yes votes | | | | | | |
| 8/10/16 | Audit and Finance Committee Meeting | t | p | p | - | t | p | p |
| 8/15/16 | Operations Committee Meeting | p | p | p | p | t | p | p |
| 8/23/16 | Regular Board Meeting II. Approval of the Agenda IV. Consent Agenda VIII.A. Appointment of 2016 CFC Voting Delegate and Alternate VIII.B. Simplified Rate Filing – June 2016 Test Year VIII.C. 2015 Retail and Wholesale Capital Credit Allocations VIII.E. Girdwood Substation Enclosure Replacement Project Authorization VIII.F. Old Seward Highway Undergrounding Award IX. Executive Session – to go into Executive Session XI. Adjournment | p u u u u u u u u u | p | p | p | t | P m | p |
| 9/6-8/16 | Special Board Meeting IV. Approval of the Agenda V. Executive Session – to go into Executive Session XIII. Adjournment | - u u u | p | p | p | p | p | p |
| 9/27/16 | Operations Committee Meeting | p | - | p | t | p | p | p |
| 9/28/16 | Regular Board Meeting II. Approval of the Agenda IV. Consent Agenda VIII.A. Dowling Road Undergrounding Project VIII.B. Director Vacancy IX. Executive Session – to go into Executive Session XI. Adjournment | p u u u u u u | p m m | p | t | p | p | p |
| 10/18/16 | Operations Committee Meeting | p | - | p | t | - | a | p |
| 10/19/16 | Regular Board Meeting II. Approval of the Agenda IV. Consent Agenda IX. Executive Session – to go into Executive Session XI. Adjournment | p u u u u | p m | p | t | t m m | t | p |
| 11/3/16 | Operations Committee Meeting | p | p | p | t | p | t | p |
| 11/7/16 | Audit and Finance Committee Meeting | p | p | a | - | p | t | p |
| 11/9/16 | Audit and Finance Committee Meeting | t | p | p | - | p | t | p |
| 11/28/16 | Special Board Meeting – no action taken | - | p | p | p | p | p | p |
| 11/29/16 | Operations Committee Meeting | p | - | p | p | p | p | p |
| 11/30/16 | Regular Board Meeting II. Approval of the Agenda IV. Consent Agenda VIII.A. 2017 Discounted Capital Credits Payments VIII.B. Appointments to 2017 Bylaws Committee VIII.C. Appointments to 2017 Election Committee VIII.D. Appointments to 2017 Nominating Committee VIII.E. Simplified Rate Filing VIII.F. Project Authorization – 115kV Transmission Line Rebuild – Silvertip Creek to Hope Substation IX. Executive Session – to go into Executive Session X.H. Retail and Wholesale Capital Credit Retirements X.I. 2017 Operating and Capital Budget Approval X.J. Power Pooling and Joint Dispatch Agreement XI. Adjournment | p u | p | p | p | p | p | p |
| 12/13/16 | Operations Committee Meeting | p | - | p | p | t | t | p |

2016 Board of Directors' Voting and Attendance Record

| Meeting Date | Meetings | Directors | | | | | | | | |
|--------------|---|--|----------------------------|--------------------------------------|---|---|-----------------------|----------------------------|--|--|
| | | C H A S T A I N | C O O P E R | C R A W F O R D | D O U G H E R T Y | H E N D E R S O N | R E V E S | R E I S E R | | |
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| 12/14/16 | Regular Board Meeting II. Approval of the Agenda IV. Consent Agenda VIII.A. Appointment of 2017 NRECA Voting and Alternate Delegates VIII.B. Chugach Electric Association, Inc. – Member Survey VIII.C. Vegetation Management Contract IX. Executive Session – to go into Executive Session X.D. Retirement Security Plan Pre-Pay X.E. Unified System Operator (USO) Governance Position X.F. Appointment of Board Secretary - Bettina Chastain – Secretary (No other nominations were made) XII. Adjournment | p u u u u u u u u u u | p | p | p | t | t m m | p | | |

| Meeting Date | Meetings | Directors | | | | | | | | |
|--------------|--|--|----------------------------|--------------------------------------|---|-----------------------|----------------------------|----------------------------|--|--|
| | | C H A S T A I N | C O O P E R | C R A W F O R D | H E N D E R S O N | R E V E S | R E I S E R | V A C A N T | | |
| | <u>Attendance Codes:</u> a = absent p = present e = excused t = attended via telephone - = attendance not required | <u>Voting Codes:</u> y = yes n = no b = abstained m = not present at time of vote u = unanimous/all yes votes | | | | | | | | |
| 12/16/16 | Special Board Meeting II. Approval of the Agenda XI. Adjournment | p u u | p | p | t m | - | p | | | |
| 12/19/16 | Special Board Meeting II. Approval of the Agenda VII. Executive Session – to go into Executive Session VIII.B. Close the Interview Session VIII.C. Create Short List to Five Applicants IX. Executive Session – to go into Executive Session X.D. Approval of Short List of Applicants for the Vacant Board of Director Position and Next Steps XII. Adjournment | p u u u u u u | p | p | t m m | t m m | p | | | |
| 12/29/16 | Special Board Meeting II. Approval of the Agenda – as amended VIII. Executive Session – to go into Executive Session X. Adjournment | t u u u | t | p | t | t | t | | | |